



AARP Endorses Medicare Prescription Drug Bill

November 17, 2003

AARP today announced its strong endorsement of the prescription drug bill offered by the conference committee and will work vigorously for its passage.

AARP believes that millions of older Americans and their families will be helped by this legislation. Though far from perfect, the bill represents an historic breakthrough and important milestone in the nation's commitment to strengthen and expand health security for its citizens at a time when it is sorely needed.

The bill will provide prescription drug coverage at little cost to those who need it most: people with low incomes, including those who depend on Social Security for all or most of their income. It will provide substantial relief for those with very high drug costs, and will provide modest relief for millions more. It also provides a substantial increase in protections for retiree benefits and maintains fairness by upholding the health benefit protections of the Age Discrimination and Employment Act.

AARP is pleased by the improvements made to the conference report in recent days. A new structure called "premium support" which required competition between traditional Medicare and private plans was downsized to a limited test starting in 2010, which has significant protections for those in traditional Medicare. The government will provide coverage in areas where private plans fail to offer coverage. The integrity of Medicare will be protected.

An unprecedented \$88 billion will encourage employers to maintain existing health retiree benefits. The legislation will help speed generic drugs to market and add important new preventive and chronic care management services. Finally, this legislation protects poor seniors from future soaring prescription drug costs.

AARP is launching a national grassroots, advertising and information campaign this week to explain the legislation and urge bipartisan support for its passage.